## **Introduced by Assembly Member Fletcher**

February 17, 2011

An act to amend Section 47634.1 of the Education Code, relating to charter schools.

## LEGISLATIVE COUNSEL'S DIGEST

AB 734, as introduced, Fletcher. Charter schools: funding.

Existing law sets forth the calculations to be made by the Superintendent of Public Instruction to determine the amount of categorical block grants for charter schools. The amount of the categorical block grant for a charter school that is to be allocated by the Superintendent is set at \$500 per unit of charter school average daily attendance as adjusted for cost-of-living and supplemented by a specified amount of funding per economic impact aid-eligible pupil enrolled in the charter school.

This bill would make technical, nonsubstantive changes in this provision.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 47634.1 of the Education Code, as added
- 2 by Section 24 of Chapter 2 of the 4th Extraordinary Session of the
- 3 Statutes of 2009, is amended to read:

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47634.1. (a) Notwithstanding subdivision (a) of Section 47634, a-A categorical block grant for charter schools for the 2005–06 fiscal year shall be calculated as follows:

- (1) The Superintendent shall divide the total amount of funding appropriated for the purpose of this block grant in the annual Budget Act or another statute, less the total amount calculated in paragraph (2), by the statewide total of charter school average daily attendance, as determined at the second principal apportionment for the 2005–06 fiscal year.
- (2) The statewide average amount, as computed by the Superintendent, of funding per identified educationally disadvantaged pupil received by school districts in the current fiscal year pursuant to Article 2 (commencing with Section 54020) of Chapter 1 of Part 29. This amount shall be multiplied by the number of educationally disadvantaged pupils enrolled in the charter school. The resulting amount, if greater than zero, shall not be less than the minimum amount of Economic Impact Aid funding to which a school district of similar size would be entitled pursuant to Section 54022. For purposes of this subdivision, a pupil who is eligible for subsidized meals pursuant to Section 49552 and is identified as an English learner pursuant to subdivision (a) of Section 306 shall count as two pupils.
- (3) For each charter school, the Superintendent shall multiply the amount calculated in paragraph (1) by the school's average daily attendance as determined at the second principal apportionment for the 2005–06 fiscal year.
- (4) The Superintendent shall add the amounts computed in paragraphs (2) and (3). The resulting amount shall be the charter school categorical block grant that the Superintendent shall apportion to each charter school from funds appropriated for this purpose in the annual Budget Act or another statute. The Superintendent shall allocate an advance payment of this grant as early as possible, but no later than October 31, 2005, based on prior year average daily attendance as determined at the second principal apportionment or, for a charter school in its first year of operation that commences instruction on or before September 30, 2005, on estimates of average daily attendance for the current fiscal year determined pursuant to Section 47652.
- (b) (1) For the 2006–07 fiscal year, the categorical block grant allocated by the Superintendent for charter schools shall be four

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hundred dollars (\$400) per unit of charter school average daily attendance as determined at the second principal apportionment for the 2006–07 fiscal year. This amount shall be supplemented by the amount calculated in paragraph (2).

- (2) The statewide average amount, as computed by the Superintendent, of funding per economic impact aid-eligible pupil count received by school districts in the current fiscal year, pursuant to Article 2 (commencing with Section 54020) of Chapter 1 of Part 29, shall be multiplied by the number of economic impact aid-eligible pupils enrolled in the charter school. The resulting amount, if greater than zero, shall not be less than the minimum amount of Economic Impact Aid funding to which a school district of similar size would be entitled pursuant to Section 54022.
- (c) (1) For the 2007–08 fiscal year, the categorical block grant allocated by the Superintendent for charter schools shall be five hundred dollars (\$500) per unit of charter school average daily attendance as determined at the second principal apportionment for the 2007–08 fiscal year. For each fiscal year thereafter, this per unit amount shall be adjusted for the cost-of-living adjustment, as determined pursuant to Section 42238.1, for that fiscal year. This amount shall be supplemented in the 2007–08 fiscal year and each fiscal year thereafter by the amount calculated in paragraph (2).
- (2) The statewide average amount, as computed by the Superintendent, of funding per economic impact aid-eligible pupil count received by school districts in the current year, pursuant to Article 2 (commencing with Section 54020) of Chapter 1 of Part 29, shall be multiplied by the number of economic impact aid-eligible pupils enrolled in the charter school. The resulting amount, if greater than zero, shall not be less than the minimum amount of Economic Impact Aid funding to which a school district of similar size would be entitled pursuant to Section 54022.
- (d) It is the intent of the Legislature to fully fund the categorical block grant for charter schools as specified in this section and to appropriate additional funding that may be needed in order to compensate for unanticipated increases in average daily attendance and counts of economic impact aid-eligible pupils, pursuant to Article 2 (commencing with Section 54020) of Chapter 1 of Part 29, in charter schools. In any fiscal year in which the department identifies a deficiency in the categorical block grant, the department

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shall identify the available balance for programs that count towards meeting the requirements of Section 8 of Article XVI of the California Constitution and have unobligated funds for the year.

(e) On or before July 1, the department shall provide the Department of Finance with a list of those programs and their available balances, and the amount of the deficiency, if any, in the categorical block grant. Within 45 days of the receipt of a notification of deficiency, the Director of Finance shall verify the amount of the deficiency in the categorical block grant and direct the Controller to transfer an amount, equal to the lesser of the amount available or the amount needed to fully fund the categorical block grant. The Department of Finance shall notify the Joint Legislative Budget Committee within 30 days of any transfer made pursuant to this section.

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(f) Commencing October 1, 2007, the Legislative Analyst's Office shall triennially convene a work group to review, commencing with appropriations proposed for the 2008–09 fiscal year, the appropriateness of the funding level provided by the categorical block grant established in this section.

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(g) Categorical block grant funding may be used for any purpose determined by the governing body of the charter school.

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(h) This section shall become operative on July 1, 2013.